

State of South Dakota

SEVENTY-SECOND SESSION
LEGISLATIVE ASSEMBLY, 1997

896A0382

HOUSE BILL NO. 1115

Introduced by: Representatives Richter, Brosz, Cerny, Putnam, and Van Gerpen and Senators Hainje, Brown (Arnold), Everist, Lawler, and Rounds

1 FOR AN ACT ENTITLED, An Act to secure South Dakota Retirement System benefits for
2 members whose employers are privatized.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That chapter 3-12 be amended by adding thereto a NEW SECTION to read as
5 follows:

6 If a participating unit determines that a governmental function is to be privatized, the
7 participating unit shall pass a resolution to that effect determining the date that its employees will
8 cease to be public employees eligible for membership in the system. The participating unit shall
9 notify the system and the employees affected of its resolution and, after the effective date, cease
10 to make contributions to the South Dakota Retirement System as required in §§ 3-12-71 and 3-
11 12-72. Any member affected by privatization is entitled to the benefits accrued as of the effective
12 date under the provisions of chapter 3-12. For the purposes of determining eligibility for vesting
13 pursuant to § 3-12-47(73) and early retirement pursuant to § 3-12-106, years of service with the
14 successor employer shall be considered.